

Senate Study Bill 1043 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE
ON COMMERCE BILL BY
CHAIRPERSON ANDERSON)

A BILL FOR

1 An Act requiring certain health insurance policies, contracts,
2 or plans to provide coverage of applied behavior analysis
3 for treatment of autism spectrum disorder for certain
4 individuals, and including applicability and effective date
5 provisions.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 225D.1, subsection 8, Code 2017, is
2 amended to read as follows:

3 8. "*Eligible individual*" means a child less than fourteen
4 years of age who has been diagnosed with autism based on a
5 diagnostic assessment of autism, is not otherwise eligible for
6 coverage for applied behavioral analysis treatment or applied
7 behavior analysis treatment under the medical assistance
8 program, [section 514C.28](#), [514C.31](#), or other private insurance
9 coverage, and whose household income does not exceed five
10 hundred percent of the federal poverty level.

11 Sec. 2. Section 225D.2, subsection 2, paragraph 1, Code
12 2017, is amended to read as follows:

13 1. Proof of eligibility for the autism support program that
14 includes a written denial for coverage or a benefits summary
15 indicating that applied behavioral analysis treatment or
16 applied behavior analysis treatment is not a covered benefit
17 for which the applicant is eligible, under the Medicaid
18 program, [section 514C.28](#), [514C.31](#), or other private insurance
19 coverage.

20 Sec. 3. Section 225D.2, subsection 3, Code 2017, is amended
21 to read as follows:

22 3. Moneys in the autism support fund created under
23 subsection 5 shall be expended only for eligible individuals
24 who are not eligible for coverage for applied behavioral
25 analysis treatment or applied behavior analysis treatment under
26 the medical assistance program, [section 514C.28](#), [514C.31](#),
27 or other private insurance. Payment for applied behavioral
28 analysis treatment through the fund shall be limited to only
29 applied behavioral analysis treatment that is clinically
30 relevant and only to the extent approved under the guidelines
31 established by rule of the department.

32 Sec. 4. NEW SECTION. **514C.31 Applied behavior analysis for**
33 **treatment of autism spectrum disorder — coverage.**

34 1. Notwithstanding the uniformity of treatment requirements
35 of section 514C.6, a group policy, contract, or plan providing

1 for third-party payment or prepayment of health, medical, and
2 surgical coverage benefits shall provide coverage benefits for
3 applied behavior analysis provided by a practitioner to covered
4 individuals under nineteen years of age for the treatment of
5 autism spectrum disorder pursuant to a treatment plan if the
6 policy, contract, or plan is either of the following:

7 a. A policy, contract, or plan issued by a carrier, as
8 defined in section 513B.2, or an organized delivery system
9 authorized under 1993 Iowa Acts, chapter 158, to an employer
10 who on at least fifty percent of the employer's working days
11 during the preceding calendar year employed more than fifty
12 full-time equivalent employees. In determining the number
13 of full-time equivalent employees of an employer, employers
14 who are affiliated or who are able to file a consolidated tax
15 return for purposes of state taxation shall be considered one
16 employer.

17 b. A plan established pursuant to chapter 509A for public
18 employees other than employees of the state.

19 2. As used in this section, unless the context otherwise
20 requires:

21 a. "*Applied behavior analysis*" means the design,
22 implementation, and evaluation of environmental modifications,
23 using behavioral stimuli and consequences, to produce socially
24 significant improvement in human behavior, including the use
25 of direct observation, measurement, and functional analysis of
26 the relationship between environment and behavior. "*Applied*
27 *behavior analysis*" does not include supervisory services.

28 b. "*Autism spectrum disorder*" means a complex
29 neurodevelopmental medical disorder characterized by social
30 impairment, communication difficulties, and restricted,
31 repetitive, and stereotyped patterns of behavior.

32 c. "*Practitioner*" means any of the following:

- 33 (1) A physician licensed pursuant to chapter 148.
34 (2) A psychologist licensed pursuant to chapter 154B.
35 (3) A person who holds a master's degree or a doctoral

1 degree and is certified by a national behavior analyst
2 certification board as a behavior analyst.

3 *d. "Treatment plan"* means a plan for the treatment of an
4 autism spectrum disorder developed by a licensed physician
5 or licensed psychologist after a comprehensive evaluation or
6 reevaluation performed in a manner consistent with the most
7 recent clinical report or recommendations of the American
8 academy of pediatrics, as determined by the commissioner by
9 rule.

10 3. *a.* The coverage for applied behavior analysis required
11 pursuant to this section shall provide an annual maximum
12 benefit of not less than the following:

13 (1) For an individual through age six, thirty-six thousand
14 dollars per year.

15 (2) For an individual age seven through age thirteen,
16 twenty-five thousand dollars per year.

17 (3) For an individual age fourteen through age eighteen,
18 twelve thousand five hundred dollars per year.

19 *b.* Payments made under a group policy, contract, or plan
20 subject to this section on behalf of a covered individual for
21 any treatment other than applied behavior analysis shall not
22 be applied toward the maximum benefit established under this
23 subsection.

24 4. Coverage required pursuant to this section may be
25 subject to dollar limits, deductibles, copayments, or
26 coinsurance provisions that apply to other medical and surgical
27 services under the policy, contract, or plan, subject to the
28 requirements of subsection 3.

29 5. Coverage required pursuant to this section may be
30 subject to care management provisions of the applicable
31 policy, contract, or plan, including prior authorization,
32 prior approval, and limits on the number of visits a covered
33 individual may make for applied behavior analysis.

34 6. A carrier, organized delivery system, or plan may request
35 a review of a treatment plan for a covered individual not more

1 than once every three months, unless the carrier, organized
2 delivery system, or plan and the covered individual's treating
3 physician or psychologist execute an agreement that a more
4 frequent review is necessary. An agreement giving a carrier,
5 organized delivery system, or plan the right to review the
6 treatment plan of a covered individual more frequently applies
7 only to a particular covered individual receiving applied
8 behavior analysis and does not apply to other individuals
9 receiving applied behavior analysis from a practitioner. The
10 cost of conducting a review under this section shall be paid by
11 the carrier, organized delivery system, or plan.

12 7. This section shall not be construed to limit benefits
13 which are otherwise available to an individual under a group
14 policy, contract, or plan.

15 8. This section shall not be construed as affecting any
16 obligation to provide services to an individual under an
17 individualized family service plan, an individualized education
18 program, or an individualized service plan.

19 9. This section shall not apply to accident-only,
20 specified disease, short-term hospital or medical, hospital
21 confinement indemnity, credit, dental, vision, Medicare
22 supplement, long-term care, basic hospital and medical-surgical
23 expense coverage as defined by the commissioner, disability
24 income insurance coverage, coverage issued as a supplement
25 to liability insurance, workers' compensation or similar
26 insurance, or automobile medical payment insurance, or
27 individual accident and sickness policies issued to individuals
28 or to individual members of a member association.

29 10. The commissioner may adopt rules pursuant to chapter 17A
30 to implement and administer this section.

31 11. This section applies to third-party provider payment
32 contracts, policies, or plans specified in subsection 1,
33 paragraph "a" or to plans established pursuant to chapter 509A
34 for public employees other than employees of the state, that
35 are delivered, issued for delivery, continued, or renewed in

1 this state on or after January 1, 2018.

2 Sec. 5. EFFECTIVE DATE. The following provisions of this
3 Act take effect January 1, 2018:

4 1. The sections of this Act amending sections 225D.1 and
5 225D.2.

6 EXPLANATION

7 The inclusion of this explanation does not constitute agreement with
8 the explanation's substance by the members of the general assembly.

9 This bill creates new Code section 514C.31, which requires
10 certain individual and group health insurance policies,
11 contracts, or plans and plans established pursuant to Code
12 chapter 509A for public employees other than employees of
13 the state to provide coverage benefits for applied behavior
14 analysis for the treatment of autism spectrum disorder.

15 "Autism spectrum disorder" means a complex
16 neurodevelopmental medical disorder characterized by
17 social impairment, communication difficulties, and restricted,
18 repetitive, and stereotyped patterns of behavior.

19 The bill requires coverage for applied behavior analysis
20 that is provided by a board-certified behavior analyst or by
21 a licensed physician or psychologist. The required maximum
22 benefit for coverage for applied behavior analysis for an
23 individual diagnosed with an autism spectrum disorder is
24 \$36,000 per year through age 6, \$25,000 per year from age 7
25 through age 13, and \$12,500 per year from age 14 through age
26 18.

27 Required coverage can be subject to preauthorization, prior
28 approval, or other care management requirements, including
29 limits on the number of visits an individual may make for
30 applied behavior analysis.

31 Required coverage can be subject to dollar limits,
32 deductibles, copayments, or coinsurance provisions, or any
33 other general exclusions or limitations of the coverage that
34 apply to other covered medical or surgical services.

35 The new Code section shall not be construed to limit benefits

1 otherwise available to an individual under a group policy,
2 contract, or plan.

3 The new Code section shall not be construed as affecting
4 any obligation to provide services to an individual under an
5 individualized family service plan, education program, or
6 service plan.

7 A carrier, organized delivery system, or plan may request
8 to review a treatment plan not more than once every three
9 months, unless the carrier, organized delivery system, or
10 plan and the individual's treating physician or psychologist
11 execute an agreement that more frequent review is necessary.
12 Such an agreement applies only to that individual and does not
13 apply to other individuals receiving applied behavior analysis
14 from a board-certified behavior analyst, a physician, or a
15 psychologist. The cost of conducting the review of a treatment
16 plan is to be borne by the carrier, organized delivery system,
17 or plan.

18 The new Code section does not apply to various specified
19 types of insurance. The commissioner may adopt rules to
20 implement and administer the provision.

21 New Code section 514C.31 applies to third-party provider
22 payment contracts, policies, or plans specified in the
23 bill, or plans established pursuant to Code chapter 509A for
24 public employees other than employees of the state, that are
25 delivered, issued for delivery, continued, or renewed in this
26 state on or after January 1, 2018.

27 Coordinating changes are made in Code sections 225D.1 and
28 225D.2 to provide that persons who are eligible for coverage
29 of applied behavior analysis treatment under new Code section
30 514C.31 are not eligible to participate in the state autism
31 support program. These changes also take effect January 1,
32 2018.